

APR 30 1964

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LISTING STATEMENT No. 2156

LISTED FEBRUARY 19th, 1964

960,501 Common Shares without par value  
Ticker abbreviation "SHS"  
Dial ticker number 498  
Post section 7.2

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

*Lee GS*

SHOP & SAVE (1957) LTD.

(an operating company incorporated under the  
Dominion Companies' Act by Letters Patent  
dated May 13, 1932)

COMMON SHARES WITHOUT PAR VALUE

CAPITALIZATION

as at January 27, 1964

| CAPITAL STOCK                                    | AUTHORIZED | ISSUED AND<br>OUTSTANDING | TO BE<br>LISTED |
|--------------------------------------------------|------------|---------------------------|-----------------|
| Common shares without nominal or par value ..... | 1,500,000  | 960,501                   | 960,501         |

January 27th, 1964

APPLICATION

SHOP & SAVE (1957) LTD. (hereinafter called "the Company") hereby makes application for listing on The Toronto Stock Exchange of 960,501 common shares without nominal or par value of the capital stock of the Company, all of which are issued and outstanding as fully paid and non-assessable shares.



## HISTORY AND NATURE OF BUSINESS

The Company was incorporated under the Dominion Companies' Act by Letters Patent dated May 13, 1932 as Hudon & Orsali Limitée (Hudon & Orsali Limited). The Company's name was changed to Shop & Save (1957) Ltd. by Supplementary Letters Patent dated December 30, 1957.

Until August 1955 the Company was controlled by the Hudon & Orsali families who had carried on the same wholesale grocery business, first as a partnership, and then as a corporation, for more than 80 years.

In June, 1953, Hudon & Orsali Limitée became a franchised Supply Depot for Montreal and surrounding areas under agreement with IGA (Independent Grocers' Alliance). In 1957 IGA extended the Company's franchise area, so that it now includes all of the Province of Quebec with the exception of the Eastern Townships and an area in the western part of the Province (adjacent to and including the City of Hull).

In August 1955 the Company was purchased from the Hudon and Orsali family interests by a small group headed by Messrs. Frank A. Juno and Wesley B. Younkie, two well-known executives in the retail food business. Since that time the Company's operations have expanded rapidly.

The Company, through its headquarters in Montreal, serves 67 IGA independent member stores and 37 Company-owned stores. The latter have all been opened since 1956. The Company's 38th store will be opened on January 29th, 1964. The Company also sells to a select group of non-affiliated retailers on a straight wholesale basis.

In 1956, the Company's annual sales amounted to \$16,077,514 and net profit to \$112,678. In the year ending March 30, 1963, sales had increased to \$36,357,825 and net profit to \$459,193.

The amount of the Company's sales in each of the past 5 years was as follows:

|         |   |                 |
|---------|---|-----------------|
| 1958-59 | — | \$27,157,000.00 |
| 1959-60 | — | \$30,903,000.00 |
| 1960-61 | — | \$32,261,000.00 |
| 1961-62 | — | \$33,661,000.00 |
| 1962-63 | — | \$36,357,000.00 |

The Company employs 470 regular employees and 300 part-time employees.

## INCORPORATION

The Company was incorporated under the Dominion Companies' Act by Letters Patent dated May 13, 1932 as Hudon & Orsali Limitée (Hudon & Orsali Limited) with an authorized capital of \$1,000,000.00, divided into 10,000 shares of a par value of \$100.00 each. The Company created 5,000 shares of its authorized capital preferred shares, and the remaining 5,000 shares as common shares. The preferred shares were redeemed in 1953 and by Supplementary Letters Patent dated December 2nd, 1953 the authorized capital of the Company was reduced to \$500,000.00 divided into 5,000 shares of a par value of \$100.00 each. By Supplementary Letters Patent dated January 27th, 1956, the 5,000 common shares of a par value of \$100.00 of the Company were subdivided into 50,000 common shares without par value, and the capital stock of the Company increased by the creation of 50,000 additional no par value shares, so that the authorized capital of the Company then consisted of 100,000 common shares without nominal or par value.

By Supplementary Letters Patent dated December 30, 1957, the Company's name was changed to Shop & Save (1957) Ltd., and the Company's 100,000 no par value shares were subdivided into 300,000 no par value shares, and the capital stock of the Company increased by the creation of 200,000 additional no par value shares, so that the authorized capital of the Company then became 500,000 common shares without nominal or par value.

By Supplementary Letters Patent dated September 25, 1959, the Company's 500,000 no par value shares were subdivided into 1,000,000 no par value shares, and the capital stock of the Company increased by the creation of 500,000 additional no par value shares, so that the capital stock of the Company now consists of 1,500,000 common shares without nominal or par value. Of these authorized shares 960,501 shares have been issued and are outstanding.

## SHARE ISSUES DURING PAST TEN YEARS

| DATE OF ISSUE   | NO. OF<br>SHARES<br>ISSUED | AMOUNT<br>REALIZED<br>PER SHARE | TOTAL<br>AMOUNT<br>REALIZED | PURPOSE OF ISSUE                                                            |
|-----------------|----------------------------|---------------------------------|-----------------------------|-----------------------------------------------------------------------------|
| March 26, 1956  | 8,600                      | \$10.00                         | \$ 86,000.00                | Issued to key personnel                                                     |
| August 24, 1956 | 16,400                     | 12.50                           | 205,000.00                  | Issued to key personnel                                                     |
| April 29, 1958  | 50,000                     | 7.00                            | 350,000.00                  | Public offering: to obtain capital for expansion of the Company's business. |
| Sept. 15, 1958  | 27,500                     | nil                             | nil                         | Stock dividend                                                              |
| April 15, 1959  | 60,500                     | 15.00                           | 907,500.00                  | Rights offering: expansion of the Company's business                        |
| Jan. 14, 1960   | 103,715                    | 7.50                            | 777,862.50                  | Rights offering: expansion of the Company's business                        |
| Aug. 15, 1960   | 41,486                     | nil                             | nil                         | Stock dividend                                                              |
| Aug. 15, 1961   | 43,561                     | nil                             | nil                         | Stock dividend                                                              |
| Aug. 15, 1962   | 45,739                     | nil                             | nil                         | Stock dividend                                                              |



## STOCK PROVISION AND VOTING POWERS

There is only one class of shares, common shares without nominal or par value. Each common share carries one vote at all meetings of shareholders.

### DIVIDEND RECORD

| 1958        | (calendar year)                                                                                                |              |
|-------------|----------------------------------------------------------------------------------------------------------------|--------------|
| February 4  | 17.5¢ per share on 225,000 shares .....                                                                        | \$ 39,375.00 |
|             | 10% stock dividend capitalized at \$1.00 per share .....                                                       | 27,500.00    |
| 1959        |                                                                                                                |              |
| May 21      | 20¢ per share on 363,000 .....                                                                                 | 72,600.00    |
| November 16 | 12.5¢ per share on 726,000 shares .....                                                                        | 90,750.00    |
| 1960        |                                                                                                                |              |
| May 31      | 10¢ per share on 829,715 shares .....                                                                          | 82,971.50    |
| August 15   | 5% stock dividend capitalized at \$1.00 per share .....                                                        | 41,486.00    |
| November 15 | 10¢ per share on 871,201 shares .....                                                                          | 87,120.10    |
| 1961        |                                                                                                                |              |
| May 31      | 10¢ per share on 871,201 shares .....                                                                          | 87,120.10    |
| August 15   | 5% stock dividend capitalized at \$1.00 per share .....                                                        | 43,561.00    |
| November 15 | 10¢ per share on 914,762 shares .....                                                                          | 91,476.20    |
| 1962        |                                                                                                                |              |
| May 31      | 10¢ per share on 914,762 shares .....                                                                          | 91,476.20    |
| August 15   | 5% stock dividend capitalized at \$1.00 per share .....                                                        | 45,739.00    |
| November 15 | 10¢ per share on 960,501 shares .....                                                                          | 96,050.10    |
| 1963        |                                                                                                                |              |
| May 31      | 12.5¢ per share on 960,501 shares .....                                                                        | 120,062.63   |
| November 30 | 17.5¢ per share on 960,501 shares (regular semi-annual dividend of 12.5¢ plus an extra 0.05¢ per share.) ..... | 168,651.30   |

Details of stock dividends during the past ten years are shown under "Share Issues During Past Ten Years" above.

### RECORD OF PROPERTIES

The Company owns the warehouse and office building located at 8484 Esplanade Avenue, Montreal, Quebec. It also owns a small Shopping Centre at St. Hyacinthe, Quebec. This Shopping Centre is not in operation. The Company owns its own fleet of trucks and trailers. The Company has leases for Shop & Save Stores at the following locations:

6677 Monk Boulevard, Ville Emard  
 2340 Rosemount Boulevard, Montreal  
 8950 St. Michel Boulevard, Ville St. Michel  
 1275 Villeray Street, Montreal  
 371 Victoria Avenue, St. Lambert.  
 Savoie Boulevard, Laval West  
 455 Seminaire Boulevard, St. Jean, Que.  
 915 Lajeunesse Street, Montreal  
 5375 Henri Bourassa Boulevard, Montreal North  
 595 Fleury Street West, Montreal  
 3815 Masson Street, Montreal  
 5478 Westminster Avenue, Cote St. Luc  
 401 Bourke, Dorval  
 905 Fleury Street East, Montreal  
 444 Notre Dame Street, Repentigny  
 405 Boulevard Laurentide, Pont Viau



## RECORD OF PROPERTIES (Continued)

104 Ste. Rose Boulevard, Ste. Rose  
5080 Dudemaine, Montreal  
8625 Central Avenue, Ville LaSalle  
389—90th Avenue, Ville LaSalle  
7609 Central Avenue, Ville LaSalle  
15—2nd Avenue, Chateauguay  
1 Bouchette Street, Huntingdon, P.Q.  
73 Seigneurial Boulevard, St. Bruno  
1032 Ste. Elizabeth Boulevard, Lapraire  
700 New Boulevard, Chambly  
66 Ellice Street, Beauharnois  
785 Benjemin Loiseau, Boucherville  
2105—5th Avenue, Shawinigan West  
2393 St. Marc, Shawinigan  
871—6th Avenue, Grand'Mere  
547 St. Louis, La Tuque  
6975 Henri Bourassa, Charlesbourg, Quebec  
335 Wilfrid Hamel Boulevard, Quebec West  
225 Notre Dame Street, Donnacona, Quebec  
332 Grand Côté, Rosemere  
18 Labelle Boulevard, Ste. Thérèse, P.Q.  
Route No. 11, Ste. Adele en bas, Quebec

The Company fully owns all of the equipment and fixtures in the stores that it has under lease, as well as its rolling stock. There are no mortgages on the land and buildings it owns.

## SUBSIDIARY COMPANIES

When the Company first decided on the policy of operating its own "Shop & Save" stores, a separate company was formed to operate each new store.

The majority of the share capital of each company so formed was purchased by Shop & Save (1957) Ltd. and a minority of the share capital was purchased by the respective store managers. A change in the tax laws in 1960 caused the Company to change its policy. Shop & Save (1957) Ltd. then decided to buy out the minority shareholders in all the separate Shop & Save companies that had been formed and to have these companies wound up gradually so that eventually all Shop & Save stores would be operated by Shop & Save (1957) Ltd. rather than by separate subsidiary corporations. This plan has progressed to the point where all minority holdings in subsidiary Shop & Save companies have been acquired by Shop & Save (1957) Ltd.; the Charters of 13 subsidiary companies have been surrendered and proceedings for the surrender of the Charters of 10 other companies are in progress. These 10 subsidiary companies are:

Shop & Save (St. Jean) Ltd.  
Shop & Save (Riverside) Ltd.  
Shop & Save (Ste Rose) Ltd.  
Shop & Save (Cloverdale) Ltd.  
Shop & Save (Boucherville) Ltd.  
Shop & Save (Henri Bourassa) Ltd.  
Shop & Save (Pierrefonds) Ltd.  
Shop & Save (Pointe-aux-Trembles) Ltd.  
Shop & Save (St. Bruno) Ltd.  
Shop & Save (St. Lambert) Ltd.

All of the above subsidiaries are inactive and it is expected that the Charters of all of these companies will be accepted for surrender before December 31, 1964.

No steps have yet been taken to surrender the Charters of the two remaining Shop & Save subsidiaries, namely Shop & Save (St. Hyacinthe) Ltd. and Shop & Save (Duvernay) Ltd. It is expected, however, that the Charters of these two companies will be surrendered in due course, so that eventually all Shop & Save stores will be operated by Shop & Save (1957) Ltd. Besides the subsidiaries mentioned above, the following are wholly-owned subsidiaries of the Company:



## SUBSIDIARY COMPANIES (Continued)

a) Hudon & Orsali (Quebec) Ltée, incorporated under the laws of the Province of Quebec, by Letters Patent dated November 20, 1957. The authorized capital of Hudon & Orsali (Quebec) Ltée consists of 100 no par value shares, all of which are issued and outstanding as fully paid up and non-assessable shares. All franchise contracts with independent member stores are granted by Hudon & Orsali (Quebec) Ltée.

b) Shop Properties Ltd., incorporated under the laws of the Province of Quebec by Letters Patent dated June 15, 1959. The authorized capital of Shop Properties Ltd. consists of 100 no par value shares, all of which are issued and outstanding as fully paid up and non-assessable shares. Property acquired for the location of new stores is purchased through this Company.

## FUNDED DEBT

Neither the Company nor any of its subsidiaries has any funded debt.

## OPTIONS, UNDERWRITINGS, ETC.

There are no options, underwritings, sale agreements, or other contracts or agreements of a like nature with respect to any unissued shares of the Company. Moreover no issued shares are held for the benefit of the Company.

## LISTING ON OTHER STOCK EXCHANGES

The Company's shares are listed on the Montreal Stock Exchange.

## STATUS UNDER SECURITIES ACTS

The Company has no present intention of offering any of its securities for sale to the public.

## FISCAL YEAR

The fiscal year of the Company ends on the last Saturday of March in each year.

## ANNUAL MEETINGS

The Annual General Meeting of the Shareholders of the Company is required to be held at the Head Office of the Company before the 31st of July in each year. The last Annual General Meeting of the Company was held on July 10th, 1963.

## HEAD OFFICE

The Head Office of the Company and of its subsidiaries is located at 8484 Esplanade Avenue, Montreal, Quebec. The Company has no other offices.

## TRANSFER AGENT

The Transfer Agent of the Company is:

The Royal Trust Company, 105 St. James Street West, Montreal 1, P.Q.

The Royal Trust Company, 80-82 Wellington Street West, Toronto, Ontario.

Share certificates are mutually interchangeable.

## TRANSFER FEE

No fee is charged on stock transfers other than the customary Government stock transfer taxes.

## REGISTRAR

The Registrar of the Company is:

The Royal Trust Company, 105 St. James Street West, Montreal 1, P.Q.

The Royal Trust Company, 80-82 Wellington Street West, Toronto, Ontario.

## AUDITORS

The Auditors of the Company are Messrs. Glendinning, Campbell, Jarrett & Dever, Chartered Accountants, Auditors, 715 Victoria Square, Montreal 1, P.Q.



## DIRECTORS AND OFFICERS

The Directors and Officers of the Company are:

| OFFICE HELD                                   | NAME               | ADDRESS                                              | OCCUPATION            |
|-----------------------------------------------|--------------------|------------------------------------------------------|-----------------------|
| Director & President                          | Frank A. Juno      | 61 Fernlea Crescent,<br>Town of Mount Royal,<br>P.Q. | Executive             |
| Director, Vice-<br>President and<br>Treasurer | Wesley B. Younkie  | R. R. No. 3,<br>Lachute, P.Q.                        | Executive             |
| Director &<br>Vice-President                  | S. Freeman Raymond | 1530 Markham Avenue,<br>Town of Mount Royal,<br>P.Q. | Executive             |
| Director & Secretary                          | John A. Nolan      | 600 Robertson Avenue,<br>St. Laurent, P.Q.           | Barrister & Solicitor |
| Director                                      | Guy Hudon          | 146 Lavoisier Avenue,<br>Laval-des-Rapides, P.Q.     | Merchandising Manager |
| Director                                      | Michael Rowe       | 377 Beatty Avenue,<br>Verdun, P.Q.                   | General Sales Manager |
| Director &<br>Asst. Treas.                    | Andre Archambault  | 8369 Boyer Street,<br>Montreal, P.Q.                 | Executive             |

## CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors Shop & Save (1957) Ltd. hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the under-signed officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

SHOP & SAVE (1957) LTD.

Per: "F. A. JUNO"  
President

"JOHN A. NOLAN"  
Secretary



## STATEMENT SHOWING NUMBER OF SHAREHOLDERS

Distribution of Common stock as of January 17th, 1964

|                    |            |   |      |    |            |              |         |
|--------------------|------------|---|------|----|------------|--------------|---------|
| 705                | Holders of | 1 | —    | 99 | share lots | .....        | 26,890  |
| 562                | "          | " | 100  | —  | 199        | " "          | 64,345  |
| 255                | "          | " | 200  | —  | 299        | " "          | 56,029  |
| 109                | "          | " | 300  | —  | 399        | " "          | 35,130  |
| 51                 | "          | " | 400  | —  | 499        | " "          | 21,721  |
| 121                | "          | " | 500  | —  | 999        | " "          | 77,447  |
| 118                | "          | " | 1000 | —  | up         | " "          | 678,939 |
| 1,921 Shareholders |            |   |      |    |            | Total Shares | 960,501 |



# FINANCIAL STATEMENTS

SHOP & SAVE (1957) LTD.

(Incorporated under the Companies Act, Canada)

AND ITS WHOLLY-OWNED SUBSIDIARY COMPANIES

## CONSOLIDATED BALANCE SHEET

### ASSETS

|                                                                                                                                                                    | MARCH 30TH<br>1963 | MARCH 31ST<br>1962 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| <b>CURRENT</b>                                                                                                                                                     |                    |                    |
| Cash .....                                                                                                                                                         | \$ 449,166         | \$ 373,484         |
| Accounts receivable .....                                                                                                                                          | 299,420            | 184,744            |
| Merchandise delivered to retailers in process of billing .....                                                                                                     | 253,197            | 188,645            |
| Inventory of merchandise<br>As determined from the records and by physical<br>counts throughout the year and valued at the<br>lower of cost or market prices ..... | 2,119,697          | 1,980,135          |
| Deferred charges .....                                                                                                                                             | 64,276             | 34,488             |
|                                                                                                                                                                    | <u>\$3,185,756</u> | <u>\$2,761,496</u> |
| <b>OTHER</b>                                                                                                                                                       |                    |                    |
| Loans — secured                                                                                                                                                    |                    |                    |
| To procure sites for IGA Stores .....                                                                                                                              | \$ 372,320         | \$ 385,603         |
| To IGA members for retail store development .....                                                                                                                  | 126,458            | 255,887            |
| To employee-shareholders (other than directors)<br>to purchase shares of capital stock of the<br>company .....                                                     | 5,521              | 8,706              |
| Mortgage on property sold .....                                                                                                                                    | 85,000             | 90,000             |
| Retail store properties held for resale, at cost<br>less accumulated depreciation .....                                                                            | 272,264            | 284,318            |
| Investment in and advances to an affiliated<br>company (Note 1) .....                                                                                              | 84,231             | 45,723             |
|                                                                                                                                                                    | <u>\$ 945,794</u>  | <u>\$1,070,237</u> |
| <b>FIXED</b>                                                                                                                                                       |                    |                    |
| Land and buildings (Note 2) .....                                                                                                                                  | \$ 971,608         | \$ 833,921         |
| Equipment — at cost .....                                                                                                                                          | 2,838,516          | 2,208,638          |
|                                                                                                                                                                    | <u>\$3,810,124</u> | <u>\$3,042,559</u> |
| Less: Accumulated depreciation .....                                                                                                                               | 977,230            | 791,364            |
|                                                                                                                                                                    | <u>\$2,832,894</u> | <u>\$2,251,195</u> |
|                                                                                                                                                                    | <u>\$6,964,444</u> | <u>\$6,082,928</u> |

### LIABILITIES

|                                              |                    |                    |
|----------------------------------------------|--------------------|--------------------|
| <b>CURRENT</b>                               |                    |                    |
| Bank loans .....                             | \$ 392,500         | \$ 225,000         |
| Cheques issued but unpaid .....              | 419,097            | 457,121            |
| Accounts payable .....                       | 1,669,924          | 1,268,100          |
| Dividend payable .....                       | —                  | 91,476             |
| Sales tax and employees' income taxes .....  | 40,951             | 36,197             |
| Provision for taxes on income (Note 4) ..... | 166,651            | 92,856             |
|                                              | <u>\$2,689,123</u> | <u>\$2,170,750</u> |

### SHAREHOLDERS' EQUITY

|                                         |                    |                    |
|-----------------------------------------|--------------------|--------------------|
| <b>CAPITAL STOCK (Note 3)</b>           |                    |                    |
| Common shares of no par value           |                    |                    |
| Authorized: 1,500,000                   |                    |                    |
| Issued: 960,501—(914,762 in 1962) ..... | \$2,984,646        | \$2,938,908        |
| <b>EARNED SURPLUS</b> .....             | 1,290,675          | 973,270            |
|                                         | <u>\$4,275,321</u> | <u>\$3,912,178</u> |
|                                         | <u>\$6,964,444</u> | <u>\$6,082,928</u> |

The accompanying notes (1) to (5) are an integral part of the financial statements and should be read in conjunction therewith.

Signed on behalf of the Board

“W. B. YOUNKIE”, Director

“JOHN A. NOLAN”, Director

Montreal, May 24th, 1963



# AUDITORS' REPORT

May 24th, 1963

To the Shareholders,  
Shop & Save (1957) Ltd.,  
Montreal.

We have examined the consolidated balance sheet of Shop & Save (1957) Ltd. and its wholly-owned subsidiary companies as at March 30th, 1963 and related consolidated statements of profit and loss and of earned surplus for the fiscal year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the companies the accompanying consolidated balance sheet and related consolidated statements of profit and loss and of earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at March 30th, 1963, and the results of their combined operations for the fiscal year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

GLENDINNING, CAMPBELL, JARRETT & DEVER

Chartered Accountants,  
Auditors.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As at March 30th, 1963

1. Participating interest in a Canadian Corporation which owns all the shares of capital stock of a company controlling fifty percent of the capital stock of Independent Grocers Alliance Inc., U.S.A.
2. Land and buildings are at cost, except warehouse property which is included at replacement values at November 2nd, 1955, as determined by the Industrial Valuation Company, plus subsequent additions at cost.
3. The number of issued shares of capital stock was increased during the year due to a 5% dividend paid in shares of common stock of the company.
4. Taxes on income for the year were reduced as a result of claiming, as a deduction for fixed asset depreciation, an amount of \$196,000, in excess of that provided in the accounts; to date an amount of \$441,500 additional depreciation has been so claimed.
5. The company has contractual obligations, either direct or by guarantee, with respect to long term retail store leases at the year end for aggregate minimum rentals of \$7,222,400 for residual terms of the leases. The aggregate minimum annual rental for 1963-1964 is \$495,800. Only half of the leases contain a percentage of sales clause and also highly important to the company is the fact that few have escalator tax provisions requiring payment of higher rentals in the event of property tax increases. Every lease contains a clause granting the right to sub-let the premises.



SHOP & SAVE (1957) LTD.  
AND ITS WHOLY-OWNED SUBSIDIARY COMPANIES  
STATEMENT OF CONSOLIDATED PROFIT AND LOSS

|                                                              | FISCAL YEAR ENDED  |                    |
|--------------------------------------------------------------|--------------------|--------------------|
|                                                              | MARCH 30TH<br>1963 | MARCH 31ST<br>1962 |
| SALES .....                                                  | \$36,357,825       | \$33,661,757       |
| PROFIT FROM OPERATIONS .....                                 | \$ 713,972         | \$ 641,196         |
| PROVISION FOR TAXES ON INCOME (Note 4) .....                 | \$ 254,779         | 227,527            |
| NET PROFIT FOR THE YEAR .....                                | \$ 459,193         | \$ 413,669         |
| NOTE: Remuneration Executive officers<br>and Directors ..... | \$ 73,300          | \$ 56,330          |
| Legal fees .....                                             | 8,140              | 14,797             |
| Depreciation of fixed assets .....                           | 226,202            | 162,693            |
| Loss (Gain) on sale of fixed assets .....                    | 3,636              | ( 42,330)          |

STATEMENT OF CONSOLIDATED EARNED SURPLUS

|                                                                    |              |              |
|--------------------------------------------------------------------|--------------|--------------|
| Balance at beginning of year .....                                 | \$ 973,270   | \$ 873,234   |
| Net profit for the year .....                                      | 459,193      | 413,669      |
|                                                                    | \$ 1,432,463 | \$ 1,286,903 |
| LESS: Dividends paid .....                                         | \$ 233,264   | \$ 222,157   |
| Dividend declared March 27th, 1962<br>payable May 31st, 1962 ..... | ( 91,476)    | 91,476       |
|                                                                    | \$ 141,788   | \$ 313,633   |
|                                                                    | \$ 1,290,675 | \$ 973,270   |

STATEMENT OF CONSOLIDATED PROFIT AND LOSS  
FOR FIVE FISCAL YEARS ENDED MARCH 30th, 1963

|                                                                                                                       | 1959         | 1960         | 1961         | 1962         | 1963         |
|-----------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| SALES .....                                                                                                           | \$27,157,668 | \$30,903,292 | \$32,261,430 | \$33,661,757 | \$36,357,825 |
| PROFIT FROM OPERATIONS \$                                                                                             | 454,126      | \$ 557,297   | \$ 561,896   | \$ 641,196   | \$ 713,972   |
| PROVISION FOR TAXES<br>ON INCOME (Note) ....                                                                          | 220,834      | 281,059      | 253,263      | 227,527      | 254,779      |
|                                                                                                                       | \$ 233,292   | \$ 276,238   | \$ 308,633   | \$ 413,669   | \$ 459,193   |
| Proportion of profits, less losses<br>of subsidiary companies credited<br>(charged) to minority<br>shareholders ..... | (6,163)      | 3,583        | (15,115)     | —            | —            |
| NET PROFIT .....                                                                                                      | \$ 239,455   | \$ 272,655   | \$ 323,748   | \$ 413,669   | \$ 459,193   |
| Remuneration<br>Executive officers and directors,<br>parent company .....                                             | \$ 38,115    | \$ 45,523    | \$ 49,115    | \$ 56,330    | \$ 73,300    |
| Store manager—directors, subsidiary<br>companies .....                                                                | 54,156       | 87,441       | 70,519       | —            | —            |
| Legal fees .....                                                                                                      | 7,513        | 7,441        | 10,295       | 14,797       | 8,140        |
| Depreciation of fixed assets ....                                                                                     | —            | —            | 36,812       | 42,330       | (3,636)      |
| Interest on loans secured by<br>mortgages .....                                                                       | 8,113        | 6,024        | —            | —            | —            |

NOTE: Taxes on income for the years 1961, 1962, and 1963 were reduced as a result of claiming as a deduction for fixed asset depreciation amounts of \$89,000, \$156,000 and \$196,000 respectively, in excess of those provided in the accounts.

Certified true and correct:

Signed on behalf of the Board

“W. B. YOUNKIE”, Director

“JOHN A. NOLAN”, Director







